GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3167
ANSWERED ON:20.03.2008
EXEMPTION OF EXCISE DUTY ON DRUGS
Bhakta Shri Manoranjan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether excise duty on drugs has been exempted in some States while the other States are still reeling under high excise duty;

(b) if so, the reasons for such discrimination; and

(c) the steps being taken by the Union Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a to (c): Some full/partial exemptions/concessions from central excise duties on specified drugs and medicines are presently in force. Besides this, the Government has exempted payment of central excise duty on goods including medicines/drugs manufactured in certain areas for economic upliftment of the area.

W.e.f. 1.3.2008, basic excise duty on all Pharmaceutical products has been reduced from 16% to 8%.